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WASHINGTON

4 SEP 1963

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Series B**MEMORANDUM FOR THE DIRECTOR, NRO****SUBJECT: National Reconnaissance Program (NRP) Planning**Reference: Director, NRO, letter to Secretary of Defense
[redacted] dated August 19, 1963

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As has been discussed earlier, I believe that your plans for the individual programs of the NRP and the associated funding must be documented in more detail for review purposes, in view of the size and importance of the NRP.

Accordingly, I should like to have such program and fiscal plans prepared for FY 1964, based on your current views concerning the entire NRP; please separate your expenditures into categories: R&D, procurement, operations and associated other activities. I should like details adequate for my review and decision regarding proposed expenditures in excess of currently budgeted levels. Examples of such proposed expenditures are the general increase in the NRP, which I wish to review in more detail, and the [redacted] which it is my present view not to undertake.

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Please keep separate the aircraft associated expenditures from satellite associated expenditures, and separate expenditures for different aircraft and satellite systems; please project your plans for FY 65 to 69 with the understanding that greater planning uncertainties must be expected in that time period.

I believe that preparation of such plans will assist you in your responsibilities for the NRP, as well as assisting me in my role as Executive Agent; you are therefore authorized to draw on all pertinent sources for assistance in formulating the plans which you will transmit to me.

NRO and OSD review(s) completed.

/s/

*Mr. M. Hamada*cc: Mr. McCone
DDR&E
ASD (R&D)
ASD (Compt)**TOP SECRET**

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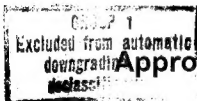
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22 August 1963

DD/S&T VIEW ON NRO PROBLEM**A. Reference Points**

In discussing the NRO problem, the following assertions form my point of departure. They are either self-evident, a matter of record, or personal conviction based on reliable secondhand reporting.

1. Were it not for CIA there would today be no U-2, CORONA or OXCART (self-evident).
2. CIA has a demonstrated ability to identify and pursue - both aggressively and successfully - reconnaissance programs which are responsive to national intelligence needs (self-evident).
3. In addition, each of the Armed Services have a valid need for stand-by reconnaissance capabilities to be used in tactical or strategic warfare situations. These systems may or may not be logical follow-ups of national reconnaissance programs (self-evident).
4. The Air Force objective - as repeatedly stated by General LeMay - is to eliminate the CIA from all reconnaissance operations (record).
5. If exploited, the present NRO Agreement provides the enabling legislation by which CIA can be so eliminated, giving to the

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DNRO as it does the power to reassign programs (record).

6. By successive choice, the Director of the National Reconnaissance Office has come to be identified with the Under Secretary of the Air Force, thereby posing an unparalleled conflict of interest question (opinion).

7. It is clear that CIA participation in the National Reconnaissance Program has decreased steadily and significantly since the beginning of the NRO (self-evident).

8. From the beginning, the NRO staff has been composed almost exclusively of Air Force officers. Their advice to the DNRO has consistently supported the erosion of CIA participation (opinion).

9. Colonel Geary, who was once responsible solely for the essential Air Force support to CIA aircraft operations, is now also responsible for competitive aircraft development programs under Air Force aegis, viz., [redacted] SAC, U-2, etc. (matter of record).

10. Resource allocation at Lockheed, Burbank, is sorely strained between OXCART and the Air Force follow-on aircraft. With no adequate mechanism to resolve schedule conflicts between CIA (Ledford) and the

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Air Force (Geary) (self-evident).

11. In the development of satellite reconnaissance systems, CIA is now utilized by General Greer for only two purposes: (a) to lend its extraordinary contracting authorities, and (b) to carry the security responsibility for the covert portion of his programs (record).

12. Contractors in all phases of the satellite reconnaissance development field now look upon General Greer and the Air Force as their sole benefactor. This follows from his assumption of technical direction responsibility for all such programs, hard on the heels of the satellite operation center transfer and our compliance in this assumption (opinion).

13. The Director of NRO feels no immediate responsibility to COMOR. He candidly asserts that COMOR has not provided - and is not able by its constitution to provide - him with meaningful guidance (direct quotation).

14. The DNRO sincerely believes that his is a line responsibility running directly to Colonel Ledford in CIA. He evidently considers it our responsibility to supply adequate resources to Colonel Ledford to carry out assigned tasks to him by DNRO (record/quotation).

15. The DNRO considers his decision on program allocation or

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reassignment final, and states that their challenge is unacceptable.

16. There is an important asymmetry between the way Dr. McMillan works with General Carter and the way he works with Dr. Fubini. Fubini participates in the making of all decisions and initiates many. General Carter is presented only with final decisions which he is enjoined not to reverse (record).

B. Recommendations

In view of this extraordinary and continuing situation, I recommend for your consideration that the following drastic steps be taken to restore and preserve the original intent of the National Reconnaissance Program:

1. Responsibility for all reconnaissance operations - both satellite and aircraft - be removed from the NRO and be assumed by the Director of Central Intelligence as the Executive Agent. This would involve the following specific steps:

- a. Return of the Satellite Operations Center to CIA.
- b. Retention of the Aircraft Operations Center in CIA, with the exception that overt military flights, such as BRASS KNOB, be planned and operated from JRC/SAC.
- c. Establish a scheduling board in CIA which would manage both the satellite launch schedules and aircraft flights. General Greer would be tasked to establish direct communication with this

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board and station appropriate representatives from his organization with it, so that the scheduling board could plan satellite launches in light of the physical limitations of booster procurement, stand availability and range facilities. This scheduling board would be responsive to USIB/COMOR and the DCI. It would carry to the Special Group explicit plans for aircraft and satellite reconnaissance operations.

d. Detailed planning for all covert aircraft operations would be carried out by the CIA Aircraft Operations Center. Satellite operations would be planned in detail jointly by the Satellite Operations Center and the operating facilities under General Greer (Satellite Tracking Center) on the West Coast.

e. Film processing for both satellite and aircraft operations would be managed directly by the CIA in response to DCI and USIB requirements. Both CIA and Air Force facilities/contractors would be exploited in this program, but the over-all management and scheduling would be carried out by CIA as an intricate part of the entire reconnaissance operations activity.

f. CIA would take the lead in photographic equipment development such as the present Eastman Kodak R&D contract.

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The results of such development would have immediate application to NPIC and the film processing centers. However, the Air Force should be an active partner in all such programs to insure that the collateral benefits for its tactical and strategic reconnaissance can be promptly recognized and exploited.

2. The DNRQ should officially drop his claims to line authority over the elements contributing to the NRP. Specifically, Col. Ledford should work for CIA in the person of the DD/S&T. The latter would be responsible to see that the CIA responsibility to the NRP is adequately carried out and that our assignments are properly discharged and supported.

3. Development of Reconnaissance Systems. I believe that we need to return to a partnership with the AF - and now NASA - to insure that all elements of the Government contribute effectively to the NRP. Specifically, I believe that the following aspects of reconnaissance development programs should be a joint undertaking between CIA and the DOD:

a. The conception and primary design of new systems, both satellite and aircraft, based on the intelligence requirements of the DCI/USIB and the technological advances being made by the DOD/AF.

b. This joint approach to new programs should continue through the selection of contractors and framing of system

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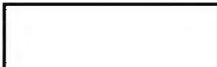
specifications so that (1) the AF can take advantage of reconnaissance developments for its other purposes, and (2) CIA can contribute effectively even in areas where it is not appropriate for it to carry major development responsibility.

c. An explicit assignment of development responsibility for a new system should then be made to either the AF, the Navy, the Army, CIA or NASA.

d. The responsible agency or service should fund for the program, contract for it, carry the technical management and be responsible for the security in the program. The DCI should cease to lend his extraordinary contracting authority to the AF for programs over which he has no cognizance and should no longer carry security responsibility in widely dispersed industrial plants for similar programs.

4. Specific Program Assignment Recommendations:

a. Technical management of the CORONA and ARGON payloads be transferred back to CIA.

b. Technical management of LANYARD  be given to the AF.

c. Responsibility for supporting NASA in development of camera systems for its lunar program be assigned to CIA in view of (1) the extraordinary security problems involved in working

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with NASA, and (2) the intense NASA vs. AF competition for the space mission.

d. CIA retain the technical management of TAGBOARD because of its intimate technical and schedule interaction with the OXCART vehicle.

e. Over-all management of the Lockheed, Burbank, effort and priorities be vested in CIA so as to insure that the OXCART reconnaissance vehicle is not placed in competition with large potential orders for the long range interceptor version.

f. Responsibility for follow-on aircraft to the OXCART system be clearly assigned at this time to the CIA, to be pursued jointly with the AF.

g. Responsibility for developing a covert satellite, if such a system makes sense, be explicitly assigned at this time to the CIA.

h. Eastman Kodak film processing R&D contract be assigned to CIA in view of its major application to the film exploitation effort at NPIC and the recommended assignment of film processing management responsibility to CIA noted above.

i. A competitive role in camera development be assigned

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to both CIA and the AF with the understanding that each be a party to the other's progress in great detail for mutual benefit. CIA's demonstrated ability to push the state-of-the-art hard and fast in contrast to the AF inertia is important. The AF should be free to pursue camera development on its own initiative for programs which are under its primary responsibility, i. e. [REDACTED] LANYARD, and should have immediate access to all CIA camera developments so as to recognize and implement possible application to their tactical and strategic requirements. The same should be true for the Navy and the Army.

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5. CIA should fund in its own budget all of these activities which it undertakes on behalf of the NRP. The Bureau of the Budget believes and states that program control and financial control are indissolubly linked. In my view, our experience in the NRO shows that they are correct. A joint budget should be prepared by the AF and CIA reflecting the NRP, and the Bureau of the Budget should be encouraged to look at the total package in this way. However, the basic funding should be carried in the individual services in accordance with that plan. The converse of this agreement is that we no longer use our extraordinary contracting authority to fence money for other Agency programs over which we have no control.

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